VZCZCXRO4138 OO RUEHFK RUEHKSO RUEHNH DE RUEHKO #3625/01 2200157 ZNY CCCCC ZZH O 080157Z AUG 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC IMMEDIATE 6263 INFO RUEHBJ/AMEMBASSY BEIJING 8272 RUEHBY/AMEMBASSY CANBERRA 2270 RUEHMO/AMEMBASSY MOSCOW 1810 RUEHUL/AMEMBASSY SEOUL 4336 RUEHFK/AMCONSUL FUKUOKA 2459 RUEHNH/AMCONSUL NAHA 4885 RUEHOK/AMCONSUL OSAKA KOBE 6060 RUEHKSO/AMCONSUL SAPPORO 3228 RUEHIN/AIT TAIPEI 6566 RUEAIIA/CIA WASHDC RUALSFJ/COMUSJAPAN YOKOTA AB JA RHMFISS/DISA WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RHMCSUU/FBI WASHDC RHEHAAA/NSC WASHDC RUEATRS/TREASURY DEPT WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 003625

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SUBJECT: DIET OPENS; DPJ READY TO RUMBLE

Classified By: AMBASSADOR J. THOMAS SCHIEFFER. REASONS 1.4 (B)/(D)

11. (C) Summary: The Diet convened August 7 for a 4-day session, moving into uncharted waters where the ruling coalition controls the Lower House while the Upper House is the hands of the opposition. Democratic Party of Japan (DPJ) leader Ichiro Ozawa has begun to flex his post-Upper House election muscle, setting up a test of strength in the upcoming fall Diet session over Prime Minister Abe's plan to extend the JMSDF Indian Ocean mission supporting anti-terrorism efforts in Afghanistan. End summary.

Upper House Appointments

- 12. (SBU) Both houses of the Diet convened August 7 for a four-day session devoted entirely to housekeeping chores. New members of the House of Councillors elected on July 29 were sworn in, and the now opposition-controlled Upper House elected DPJ member Satsuki Eda as President of the chamber. Eda is a long-time member of the Diet, who for many years led his own very small political party. A graduate of Tokyo University and Oxford, he once served as Director General of the Science and Technology Agency. In accord with Japanese parliamentary practice, the Upper House Vice Presidency went to the chamber's second largest party, in the person of Liberal Democratic Party (LDP) actress-turned-politician Akiko Santo. Following tradition, both Eda and Santo resigned from their political parties in order to maintain a sense of non-partisanship for the duration of their terms of office.
- 13. (U) For the Democrats, other appointments included former Education Minister Takeo Nishioka as Steering Committee Chairman, Kenji Hirata as secretary general of the DPJ Upper House caucus, and Susumu Yanase as the party's Diet Affairs Committee Chairman. On the other side of the aisle, the LDP reportedly will turn to former Health, Labor and Welfare Minister Hidehisa Otsuji as leader of its Upper House caucus, replacing senior member Mikio Aoki, who resigned his position to take responsibility for the July 29 election defeat.

- 14. (C) The real political action, at least until the fall extraordinary Diet session, now expected to convene on August 31 and run for about 100 days, will be outside the Diet halls. DPJ leader Ichiro Ozawa has laid down the gauntlet to the LDP, declaring his party ready to contest the ruling coalition's legislative agenda. He has made clear that he aims to try to force a dissolution of the Lower House and general elections, where the DPJ might have a chance to wrest the government from the LDP-led coalition. Ozawa's latest pronouncement is that the DPJ would seek to win at least 150 of the 300 constituency seats to be contested in the next general election. (Note: The DPJ currently holds 113 total seats, i.e., constituency plus proportional seats, in the 480-seat Lower House.)
- 15. (C) Ozawa has chosen extension of the Anti-Terrorism Special Measures law, which authorizes the Japan Maritime Self-Defense Force's logistical support in the Indian Ocean, as the first issue over which to clash with the ruling coalition. Shortly after the Upper House election results were in, Ozawa publicly staked out a position that the DPJ, which had opposed the authorizing legislation previously, would continue to do so in the fall Diet session. Within the DPJ, that hard-line position is not shared by all. A number of DPJ members, including Seiji Maehara, have voiced support for extending the JMSDF mission, and others in the party are seeking a compromise solution, such as adding a "prior Diet approval" clause to the authorizing legislation. For its part, the government has told us, most recently in discussions with visiting Deputy Secretary Negroponte, that

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extending the law, which expires on November 1, will be its first legislative priority. Many political pundits are calling this issue a defining moment for the opposition and a test of whether the DPJ can be counted on as a "responsible" party, i.e., one to which the government can be entrusted. The issue will be front and center when Ambassador Schieffer meets with Ozawa on August 8.

And The Hits Just Keep on Coming

16. (C) In answer to those who wondered if it could get any worse, the LDP learned this week that, yes, it can. New polling has the Abe cabinet support rate at an all-time low -- 27% in the latest Yomiuri poll -- with a record high 64% registering disapproval of the Abe administration. Adding insult to injury, Yomiuri's data also shows that in the age bracket of 70 years and over -- the only segment of the voting population that the LDP (barely) managed to win in the Upper House elections -- the non-support rate has now crested 50%. And hardly a day goes by that someone isn't caught with their hand in the till. On August 7, Mainichi revealed that Justice Minister Nagase had taken half a million yen (about \$4,000) for helping arrange Japanese visas for Chinese law trainees. The fact that the money was obtained before he was named Minister and was subsequently returned didn't stop Mainichi from giving this latest scandal front page, above-the-fold play. Seemingly not to be outdone, former Agriculture Minister Akagi was found to have double-billed almost three million yen in 2005 campaign expenses, according to a Yomiuri report the same day. But Akagi's money and other problems are old news by now, and this latest revelation was relegated to page 30. SCHIEFFER